

MAINE

2000

Instructions for: **FORM 1041ME**

FIDUCIARY INCOME TAX

IMPORTANT CHANGES

FIDUCIARY ADJUSTMENT Income taxes imposed by Maine or any other taxing jurisdiction, and interest or expenses incurred in the production of income exempt from Maine taxation deducted in arriving at federal taxable income, must be added back to the fiduciary adjustment. Examples include state income taxes and expenses related to the production of U.S. government bond interest that are deducted on the federal return to arrive at federal taxable income. Conversely, expenses incurred in the production of income subject to Maine tax but exempt from federal tax may be subtracted from the fiduciary adjustment. For example, expenses related to the production of non-Maine municipal bond interest are deductible. 36 M.R.S.A. § 5164(1). (effective April 14, 2000).

OVERPAYMENTS CREDITED TO FUTURE TAX YEARS. Effective January 1, 2001, Maine Revenue Services will offset tax overpayments designed to be carried forward in order to satisfy an existing debt with the bureau or other agency.

BENEFICIARIES who are nonresidents of Maine may file a composite return if all Maine-source income is derived from a single trust.

AUTOMATIC PAPERLESS EXTENSION. Maine extension request Form 4477ME has been eliminated. The Maine fiduciary extension period for filing the return is equal to the federal extension. This extension is automatic and no form or written request is required. (For more information, see page 2).

For **DOWNLOADABLE FORMS**, visit our Web site: <http://janus.state.me.us/revenue>

GENERAL INSTRUCTIONS

WHO MUST FILE

The fiduciary of a **resident** estate or trust must file Form 1041ME if the estate or trust is required to file a federal income tax return for the taxable year.

The fiduciary of a **nonresident** estate or trust must file Form 1041ME if the estate or trust has income or gain derived from Maine sources. (See instructions for nonresident estates or trusts on page 4.)

In all cases, a completed copy of federal Form 1041 must accompany the Maine nonresident return.

DEFINITION OF RESIDENT AND NONRESIDENT ESTATE OR TRUST

Trusts registered with the Maine Probate Court under the provisions of 18-A M.R.S.A. § 7-101 are subject to Maine income tax as resident trusts. Otherwise, domicile of the decedent, grantor or settlor determines residency. Situs of the trust instrument, the property held in trust, the location of the trustees, the adoption of the laws of any state in the governing instrument are irrelevant for the purpose of determining residency.

A resident estate is the estate of a decedent who, at his death, was domiciled in Maine. A resident testamentary trust is a trust which is created by the last will and testament of a decedent who, at his death, was domiciled in Maine. Any estate or testamentary trust created by the will of a decedent who was not domiciled in the State of Maine at his death shall be considered a nonresident estate or nonresident testamentary trust.

A resident irrevocable inter vivos trust is a trust which was created by or consisted of property of a person domiciled in Maine at the time it was funded. An irrevocable inter vivos trust will be classified as a nonresident trust if the creator of the trust is not domiciled in Maine when funded.

If the settlor of a revocable inter vivos trust is domiciled in Maine when the trust is created, the trust is considered a resident inter vivos trust until the settlor becomes domiciled in another state. A nonresident revocable inter vivos trust will become a resident trust if and when the creator of the trust becomes domiciled in Maine.

QUALIFIED FUNERAL TRUST

If you meet the criteria of a qualified funeral trust at the federal level, you can file using the same status for Maine purposes. Make sure to check the appropriate box on page one of the return. For a combined return, a schedule must be attached. The schedule must list Maine net income, Maine income tax, name and Social Security number for each beneficiary, as well as indicating whether or not the beneficiary is a resident of Maine. Since each beneficiary is considered a separate trust, Maine income tax must be calculated separately for each beneficiary. The total tax for all beneficiaries is then entered on line 4 of Form 1041ME.

WHEN TO FILE

The due date is April 17, 2001 for returns filed for the calendar year 2000 and the 15th day of the fourth month following the close of the taxable year for returns filed for a year ending other than December 31, 2000.

EXTENSIONS

A State of Maine extension request form is no longer required. If you are unable to file your return by the original due date of the return, Maine allows an automatic four-month extension of time to file. **Caution: An extension to file your Maine return is not an extension for payment of tax.** If you owe money, you must pay at least 90% of that amount by the original due date for filing your return in order to avoid the penalty for late payment of tax. The remaining 10% must be paid when the return is filed by the extended due date in order to avoid the failure to pay penalty. However, interest is charged on any tax paid after the original due date of your return.

Remit your estimated tax payment with the payment voucher (available at the Maine Revenue Services' Web site or by calling 207-624-7894) by the original due date for filing your Maine return to: Maine Revenue Services, P.O. Box 9108, Augusta, ME 04332-9108.

If a second extension is needed, submit an approved federal Form 8800 when the return is filed.

INTEREST AND PENALTIES

Interest will be added each month on overdue tax until the entire tax amount is paid. The current interest rate is 9% per year, compounded monthly. In addition to interest, a penalty is assessed for late filing. A separate penalty is assessed for the late payment of tax. The penalty for late filing is \$25 or 10% of the tax due, whichever is greater. If a tax return is not filed upon demand, the penalty for late filing is 100% of the tax due. The penalty for late payment of the tax is 1% per month up to a maximum of 25%. Both penalties are assessed when the return is filed late and the tax is paid late. The law also provides for penalties for the underpayment of estimated tax, for preparing or filing a fraudulent income tax return, and for the understatement of income.

WHOLE DOLLAR AMOUNTS

Money items may be shown as whole dollar amounts. Drop any amount under 50 cents and increase any amount 50 cents through 99 cents to the higher dollar amount.

ACCOUNTING PERIODS AND METHODS

For Form 1041ME, the accounting period and the method of accounting used are the same as those for federal tax purposes. If the taxable year or method of accounting is changed for federal income tax purposes, such change also applies to the state return.

REPORT OF CHANGE IN MAINE TAXABLE INCOME

If the amount of the federal taxable income is changed or corrected by the Internal Revenue Service, or if the Maine tax liability changes for any other reason, the fiduciary must report the changes on an amended Maine return within 90 days after the final determination of such change. Any fiduciary filing an amended federal income tax return must also file an amended Maine return within 90 days. Failure to comply with these requirements could result in failure to file and pay penalties. To file an amended return, use the regular Form 1041ME for the year(s) you are amending and check the "amended return" box at the top of the form. Attach a copy of your federal amended return or Internal Revenue agent's report to the Maine amended return.

PAYMENT OF ESTIMATED TAX

Estates and trusts subject to Maine income tax are required to make installment payments of estimated tax if the estimated tax liability is \$1,000 or more. Generally, payments must be made in four equal installments due on April 15, June 15, September 15 and January 15. If you are subject to this requirement, read the instructions for Form 1041ES-ME available online at <http://janus.state.me.us/revenue>, or by calling 207-626-8475.

Note: Maine's fiduciary 1041ES-ME filing requirements differ from federal requirements in that Maine 1041 estimate payments must be made after the first year filing. 36 M.R.S.A. § 5228.

SIGNATURE

Any person who prepares a taxpayer's return for compensation must also sign and enter his or her Social Security number or PTIN as assigned by the IRS. If the return is prepared by a firm or corporation, the federal identification number of the firm must also be listed.

INFORMATION

MAINE REVENUE SERVICES
INCOME/ESTATE TAX DIVISION
PO BOX 9108

AUGUSTA, ME 04332-9108

ASSISTANCE: (207) 626-8475 MONDAY-FRIDAY, 8 A.M. - 5 P.M.

ORDER FORMS BY CALLING: (207) 624-7894

SPECIFIC INSTRUCTIONS

RESIDENT ESTATE OR TRUST ONLY

Line 1. Federal Taxable Income. Enter on Form 1041ME, page 1, line 1, the amount of taxable income shown on federal Form 1041 plus the amount of unrelated business taxable income from federal Form 990-T (if applicable).

Line 2. Fiduciary Adjustment. The fiduciary adjustment is determined on Schedule 1 and allocated in accordance with Schedule 2 on page 2 of the form. If the fiduciary had income from U.S. Treasury obligations, etc. or tax exempt income from non-Maine municipal bonds, these schedules should be completed before proceeding with page 1. Detailed instructions for the schedules follow.

Line 3. Maine Taxable Income. Add or subtract line 2 to or from line 1 (depending upon whether the fiduciary adjustment is positive or negative) and enter the amount on this line. If there is no fiduciary adjustment, enter the amount shown on line 1.

Line 4. Maine Income Tax. Compute the tax on the amount shown on line 3 by using the following table:

TAX RATES

If the taxable income is:	The tax is:
Less than \$4,150	2.0% of the taxable income
\$4,150 but less than \$8,250	\$83 plus 4.5% of excess over \$4,150
\$8,250 but less than \$16,500	\$268 plus 7.0% of excess over \$8,250
\$16,500 or more	\$846 plus 8.5% of excess over 16,500

This tax rate schedule is effective for tax years beginning in 2000.

Line 5. Adjustments to Tax. Enter here the net adjustment from Schedule A, line 23.

Line 7b. 2000 Maine Estimated Tax Paid. Enter total estimated tax payments made for the 2000 tax year.

Line 8. Tax Balance Due. Any balance of tax liability should be paid in full with the return. Make check payable to Treasurer, State of Maine and mail with the return. Please write the federal estate or trust identification number on the check.

If the amount owed (line 6 minus line 7a) is \$1,000 or more, complete Form 2220ME and attach it to the return. If Form 2220ME shows a penalty amount due, enter it on line 8b and submit payment for the entire balance.

Line 10a. Amount of Line 9 You Want Credited. Use this block only if electing to have all or a portion of the overpayment on line 9 credited to next year's estimated tax.

Line 10b. Refund. Enter the difference between lines 9 and 10a. Refunds of \$1.00 or more will be issued.

SCHEDULE 1 – FIDUCIARY ADJUSTMENT (Enter gross amounts).

Line 1a. Income from municipal and state bonds, other than Maine. Enter the income from municipal and state bonds associated with locations outside Maine that is not included in federal taxable income. For example, enter interest from City of New York bonds on this line. However, do not enter interest from Portland, Maine bonds. **NOTE:** Also include adjustments for the taxpayer's distributive share of such items from partnerships, S Corporations and trusts.

Line 1b. Net Operating Loss Recovery Adjustment. Enter on this line:

- The amount of net operating loss for this taxable year that is being carried back to previous taxable years pursuant to United States Internal Revenue Code, Section 172;
- Any amount of net operating loss that has been previously used to offset the modifications provided by 36 M.R.S.A. § 5122(1).

Line 1c. Maine State Retirement Contributions. Enter the amount of 2000 Maine State Retirement Contributions on this line. To calculate this amount, subtract federal wages from state wages appearing on the State of Maine W-2 form. These contributions are tax deferred for federal tax, but are subject to Maine income tax.

Line 1d. Fiduciary Adjustment. If applicable, enter the estate's/trust's share of a fiduciary adjustment – additions only (36 M.R.S.A. §§ 5122(3) and 5164).

Line 1e. Other. Enter the amount of loss, deductions and other expenses of a financial institution subject to Maine franchise tax that are included in federal taxable income due to an ownership share in the financial institution that is a partnership, S corporation, or entity disregarded as separate from its owner. Also enter on this line income taxes imposed by Maine or other states and interest or expenses incurred in the production of income exempt from Maine taxation deducted in arriving at federal taxable income.

Line 2a. U.S. Government Bond Interest. Enter income from direct obligations of the United States Government, such as Series EE and Series HH Savings bonds, U.S. Treasury bills and notes. Include on this line only the amount of interest included in federal taxable income.

Line 2b. Social Security and Railroad Retirement Benefits included in Federal Taxable Income. Social Security benefits and Railroad Retirement benefits issued by the U.S. Railroad Retirement Board are not taxed by the State of Maine. However, benefits issued by the Canadian Railroad Retirement Board are taxable as Maine income.

Line 2c. Interest from Maine Municipal General Obligation Bonds included in Federal Taxable Income. There may be interest from Maine Municipal General Obligations included in federal taxable income. Interest from these bonds is exempt from state income tax, even if taxed on the federal return. If interest of this type is included in federal taxable income, enter that amount on this line.

Line 2d. Premiums for Long-Term Care Insurance. Enter on this line premiums paid for long-term care insurance. For tax years beginning on or after January 1, 2000, taxpayers may reduce Maine taxable income for premiums paid for long-term care insurance if the policy meets the federal definition for long-term care insurance contracts. 36 M.R.S.A. § 5217-C. Premiums paid on long-term care insurance policies previously certified by the Bureau of Insurance as being eligible for this deduction will continue to be eligible even if the policy does not meet the federal definition for a long-term care insurance contract. The premiums claimed as a deduction under this provision must be reduced by premiums claimed as Maine itemized deductions. To avoid a delay in processing the return, enclose a copy of the front page of the policy with the return.

Line 2e. Maine State Retirement System Pick-Up Contributions. Enter contributions paid that have been previously taxed by the state. Use this line only if the person retired after 1988 and received retirement benefits from the Maine State Retirement System in 2000. To calculate the amount for this line, subtract the state taxable gross amount from the federal taxable gross amount shown on the last check stub of the pension check received from the Maine State Retirement System in 2000.

SPECIFIC INSTRUCTIONS CONTINUED

Line 2f. Federal Work Opportunity Credit. Enter on this line the amount equal to the federal Work Opportunity Credit.

Line 2g. Other Deductions. Enter on this line Maine Lottery or Tri-State Lottery winnings received in 2000 and won prior to January 1, 1987, interest from seller-sponsored loans (10 M.R.S.A. § 963-A(49-A)), account proceeds from a Family Development Account administered by FAME. 36 M.R.S.A. § 5216-C., net operating losses carried forward from previous tax years pursuant to 36 M.R.S.A. § 5122, earnings from fishing operations that were contributed to a capital construction fund, withdrawals from Qualified State Tuition Programs established pursuant to 20-A M.R.S.A. § 11479 that were used for paying higher education expenses, income from investments in the Northern Maine Transmission Corporation and the estate's/trust's share of a fiduciary adjustment – subtractions only (36 M.R.S.A. §§ 5122(3) and 5164). Enter interest income and capital gains from the sale of bonds issued by the Waste Management Agency to the extent included in federal taxable income. Also enter on this line all items of income, gain, interest, dividends, royalties and other items of income of a financial institution subject to the Maine franchise tax that are included in federal taxable income due to an ownership share in the financial institution that is a partnership, S corporation, or entity disregarded as separate from its owner. Except for net operating losses carried forward from previous tax years pursuant to 36 M.R.S.A. § 5122, enter only amounts included in federal taxable income. Enter up to \$6,000 in pension income pursuant to 36 M.R.S.A. § 5122(2)(M). Also enter on this line expenses incurred in the production of income subject to Maine tax, but exempt from federal tax. An example is expenses related to the production of non-Maine municipal bond interest.

Line 3. Net Fiduciary Adjustment. If the fiduciary's share of distributable net income is 100%, enter the amount from this line on line 2, page 1 of the form. If the fiduciary's share of distributable net income is less than 100%, multiply the net fiduciary adjustment by the percentage on Schedule 2, Column 3, line f. Enter the result on page 1 of the form, line 2. The shares of the beneficiaries and of the fiduciary in the Maine fiduciary adjustment are in proportion to their respective shares of federal distributable net income of the estate or trust.

SCHEDULE 2 – ALLOCATION OF FEDERAL DISTRIBUTABLE NET INCOME AND MAINE-SOURCE INCOME.

The purpose of this schedule is to show the distribution of federal distributable net income and Maine-source income among the beneficiaries and the fiduciary of the estate or trust.

Column 1. Enter the name of each beneficiary of the estate or trust, including nonresident beneficiaries.

Column 2. Enter the respective shares of federal distributable net income of each beneficiary and of the fiduciary on the appropriate lines.

Column 3. Determine the percentage interest of each beneficiary and of the fiduciary in federal distributable net income of the estate or trust, based upon the amounts in column 2, and enter the percentage on the appropriate line of column 3. To determine the fiduciary adjustment, multiply the percentage on line f by the amount on Schedule 1, line 3. Enter the result on page 1, line 2.

Columns 4 and 5. Enter the state of domicile and the Social Security number of each beneficiary of the estate or trust, including nonresident beneficiaries.

Column 6. Attach a schedule showing how Maine taxable income was calculated and enter the results in Column 6. See the section below on nonresident estates and trusts for more information.

SCHEDULE 3 – CREDIT FOR INCOME TAX PAID TO ANOTHER JURISDICTION.

Resident estates and trusts may claim a credit against Maine income tax for income tax paid to another jurisdiction if all the following conditions are met:

- (1) The other jurisdiction is another state, a political subdivision thereof, the District of Columbia, Canadian Province or any political subdivision of a foreign country that is like a state of the United States.
- (2) The tax paid to the other jurisdiction is directly related to the income received during the tax year covered by this return. Tax payments made to other taxing jurisdiction for prior year tax liabilities cannot be considered when computing this credit.
- (3) The income taxed by the other jurisdiction is derived from sources in that jurisdiction.

Line 4b is the income tax assessed by the other jurisdiction minus any tax credits (except withholding and estimated tax payments).

Complete a separate Schedule 3 for each jurisdiction to which taxes are paid and a credit is being claimed. Enclose a copy of each Schedule 3 completed. Add the credits together and enter the total on Schedule A, line 4. **Attach a copy of the income tax return filed with the other jurisdiction.**

NONRESIDENT ESTATES AND TRUSTS

GENERAL

A nonresident estate or trust is taxed only on the undistributed portion of distributable Maine-source income. The nonresident beneficiaries are taxed upon their share of the distributable Maine-source income. Resident beneficiaries are taxed upon their entire share of the estate or trust income as though the estate or trust were resident. The following calculation pertains to a nonresident trust with only nonresident beneficiaries.

Line 3, Page 1. Maine taxable income of a nonresident trust is computed as follows:

1. Income, gain or loss derived from or connected with sources in Maine (see 36 M.R.S.A. § 5142 for general rules) which are included in federal distributable net income.
2. Add or subtract the income, gain, loss or deductions from Maine sources which were recognized for federal income tax purposes but were not included in federal distributable net income (e.g.: gain from sale of Maine real estate allocated to corpus would not be included in federal distributable net income but would be added here).
3. Subtract the amount of the federal exemption allowable on federal Form 1041 for 2000 on line 20.
4. Add or subtract the fiduciary adjustment (Schedule 1) pertaining to Maine-source income; however, no modification is made for income which is federally exempt but taxable to Maine to the extent that it is already included in federal distributable net income.

After Maine-source income included in federal distributable net income is modified as indicated above, the resulting amount is allocated among all the beneficiaries (resident and nonresident) and the estate or trust in proportion to their respective shares of federal distributable net income. The amounts allocated have the same character as for federal purposes. If the estate or trust has no federal distributable net income, the share of each beneficiary in the Maine-source income is in proportion to his share of the estate or trust income for the taxable year, including that which is required by local law of the governing instrument to be distributed in such year. Any balance of the modified Maine-source income not allocable to beneficiaries shall be allocated to the estate or trust. If the shares in the modified Maine-source income are apportioned in accordance with this paragraph, show the apportionment in a schedule attached to the return.



FIDUCIARY INCOME TAX RETURN
FOR RESIDENT AND NONRESIDENT ESTATES AND TRUSTS

For calendar year 2000 or tax year beginning in 2000

000911000

000911000

2000

Tax period

00

☐ Amended Return

FORM 1041ME

NAME OF ESTATE OR TRUST	ESTATE/TRUST EIN
NAME AND TITLE OF FIDUCIARY	FIDUCIARY SSN OR EIN
ADDRESS OF FIDUCIARY (NUMBER AND STREET)	CONTACT PERSON
CITY	TELEPHONE NUMBER
STATE	
ZIP CODE	

Type of entity: ☐ Decedent's estate ☐ Complex Trust ☐ Bankruptcy estate — (Chapter 7) ☐ Pooled income fund
(check one box) ☐ Simple Trust ☐ Grantor Trust ☐ Bankruptcy estate — (Chapter 11) ☐ Qualified funeral trust

Check the boxes that apply: ☐ Resident estate or trust ☐ Nonresident estate or trust ☐ Initial return ☐ Final return

1. Federal taxable income (if nonresident estate or trust, skip to line 3)	1	
2. Fiduciary's share of fiduciary adjustment (see instructions)	2	
3. Maine taxable income (resident estate or trust — line 1 plus or minus line 2) (nonresident estate or trust — page 2, Schedule 2, line (f), Column 6)	3	
4. Maine income tax (from tax table on page 3 of instructions)	4	
5. Adjustments to tax (from Schedule A, line 23)	5	
6. Adjusted Maine income tax (line 4 plus or minus line 5)	6	
7. Tax payments: a. Maine income tax withheld (attach Form W-2, W-2G, or 1099-R)	7a	
b. Estimated payments (include real estate withholding tax payments)	7b	
c. Total Payments (add lines 7a and 7b)	7c	
8. a. If line 6 is greater than line 7c, enter TAX BALANCE DUE	8a	
b. Enter PENALTY for underpayment of estimated tax (attach Form 2220ME) (Check here if you used the annualized income installment method) <input type="checkbox"/>	8b	
c. TOTAL AMOUNT DUE (add lines 8a and 8b)	8c	
9. If line 7c is greater than line 6, enter OVERPAYMENT	9	
10. Overpayment to be: a. CREDITED to next year's estimated tax 10a	10a	
b. REFUNDED 10b	10b	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements and to the best of my knowledge and belief they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

X
SIGNATURE OF FIDUCIARY OR OFFICER REPRESENTING FIDUCIARY DATE

X
SIGNATURE OF PREPARER OTHER THAN FIDUCIARY DATE

FIRM'S NAME
STREET NUMBER AND NAME
CITY STATE ZIP CODE

Make check payable to:
TREASURER, STATE OF MAINE
WRITE THE EMPLOYER IDENTIFICATION
NUMBER OF THE ESTATE OR TRUST ON THE
CHECK — DO NOT SEND CASH

PREPARER'S PHONE NUMBER
PREPARER'S SSN OR PTIN

Office Use Only

SCHEDULE 1 - FIDUCIARY ADJUSTMENT

1 ADDITIONS — Income exempt from federal income tax, but taxable by Maine law:

a Income from municipal and state bonds, other than Maine 1a

b Net Operating Loss Recovery Adjustment (attach schedule) 1b

c Maine State Retirement Contributions 1c

d Fiduciary Adjustment 1d

e Other 1e

f Total additions (add lines 1a through 1e) **1f**

2 DEDUCTIONS — Income exempt from Maine income tax, but taxable by federal law:

a U.S. Government Bond interest included in federal taxable income 2a

b Social Security and Railroad Retirement Benefits included in federal taxable income (see instructions) 2b

c Interest from Maine Municipal General Obligation Bonds included in federal taxable income 2c

d Premiums for Long-Term Care Insurance (do not include health insurance premiums on this line) 2d

e Maine State Retirement System Pick-Up Contributions paid during 2000
which have been previously taxed by the state 2e

f Federal Work Opportunity Credit 2f

g Other. List _____ (See instructions) 2g

h Total Deductions (add lines 2a through 2g) **2h**

3 Net Fiduciary Adjustment (subtract line 2h from line 1f — see instructions [may be a negative amount]) **3**

Note: If the fiduciary's share of distributable net income is less than 100%, multiply net fiduciary adjustment by Schedule 2, Column 3, line f. Enter result on page 1, line 2.

SCHEDULE 2 — ALLOCATION OF MAINE-SOURCE INCOME

1. Name B = beneficiary F = fiduciary	2. Share of federal distributable net income (copy from federal return)	3. Percent	4. State of domicile	5. Social Security number of beneficiaries	6. Maine-source income of nonresident beneficiaries and nonresident estate or trust
(a) B-	\$	%			\$
(b) B-	\$	%			\$
(c) B-	\$	%			\$
(d) B-	\$	%			\$
(e) B-	\$	%			\$
(f) F-	\$	%			\$
(g) Total	\$	100%			\$

Nonresident: Enter amount from line (f), Column 6 on page 1, line 3.

SCHEDULE 3 - CREDIT FOR INCOME TAX PAID TO ANOTHER JURISDICTION

1 Maine taxable income from page 1, line 3 1

2 Income taxed by (_____ ← other jurisdiction) included in line 1 2

3 Percentage of income taxed by other jurisdiction (divide line 2 by line 1) 3 _____ %

4 Limitation of credit:

a Page 1, line 4 \$ _____ multiplied by _____ % on line 3 above 4a

b Income taxes paid to other jurisdiction 4b

5 Allowable credit: line 4a or 4b, whichever is less. Enter here and on Maine Schedule A, line 4 5

Special instructions for taxpayers who claim credit for income tax paid to more than one other jurisdiction: Credit for each jurisdiction must be computed separately. Use a separate Schedule 3 for each one. Add the results together and enter on Schedule A, line 4.